



HOW HEALTH REFORM HELPS MARYLAND SMALL BUSINESSES

1. NEW TAX CREDITS FOR SMALL BUSINESS (2010)

- Nearly 79% of Maryland small businesses with fewer than 25 employees will be eligible for tax credits this year to help pay the cost of employee health coverage
 - This means 66,000 small businesses in MD will qualify
- Small Businesses with fewer than 25 employees
 - Get tax credits if they purchase insurance for employees
 - 50% credit if average wages less than \$25,000
 - 25% credit if average wages less than \$50,000
 - Full credit available to firms w/10 or fewer employees
 - Credit reduced as firm's size increases to 25
 - Credit only available if firms pay at least 50% of employees' health premium costs

2. NEW HEALTH EXCHANGES FOR SMALL BUSINESS (2014, may begin 2010)

- Small businesses with up to 100 employees get access to state-based Small Business Health Options Program (SHOP) Exchanges
- Provide "group" purchasing power to small businesses
- Provide small businesses with clear plan comparisons and choices
- Reduce administrative hassle that small businesses face in offering plans

3. EXEMPT SMALL BUSINESSES FROM EMPLOYER RESPONSIBILITY FEES

- Large and midsize employer responsibility fees begin in 2014
- Small business w/ 50 or fewer employees exempt from employer fees
 - Don't pay fees if they don't provide employee insurance